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**SLATER,
WALKER
SECURITIES
LIMITED**

**Report and Accounts
1971**

Slater, Walker Securities Limited

Report and Accounts 1971

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Directors

Directors	J. D. Slater, F.C.A. (Chairman) A. J. H. Buckley, LL.B., F.C.A. (Managing Director) F. R. R. Rowe, LL.B. (Deputy Managing Director) R. C. Tarling J. Ford, T.D., F.C.A. I. H. Wasserman M. J. Booth, LL.B.
Secretary	C. D. MacInnes, T.D., F.C.I.S.
Registered Office	30, St. Paul's Churchyard, London, EC4M 8DA
Auditors	Arthur Young McClelland Moores & Co., Chartered Accountants
Bankers	National Westminster Bank Limited
Solicitors	Clifford-Turner & Co. D. J. Freeman & Co.
Registrars	Midland Bank Limited, Registrar's Department, Beaufort House, St. Botolph Street, London, EC3A 7ED

Notice of Meeting

NOTICE IS HEREBY GIVEN that the Thirty-Seventh Annual General Meeting of Slater, Walker Securities Limited will be held at The Connaught Rooms, Great Queen Street, London, W.C.2, on Thursday, 1st June, 1972, at 11.30 a.m. for the following purposes:—

1. To receive and consider the Statement of Accounts for the year ended 31st December, 1971, and the Reports of the Directors and Auditors thereon.
2. To declare a final Ordinary dividend.
3. To elect Directors.
4. To authorise the Directors to fix the remuneration of the Auditors.

By Order of the Board

C. D. MACINNES

Secretary

1st May, 1972.

- Notes:
1. A Member entitled to attend and vote at this Meeting is entitled to appoint a proxy or proxies to attend and vote instead of him. A proxy need not be a Member of the Company.
 2. There will be available for inspection at the Company's Registered Office between 9.30 a.m. and 4.30 p.m. on any weekday, Saturdays and public holidays excluded, from 1st May, 1972, until 31st May, 1972, inclusive, and on the day of the Annual General Meeting at The Connaught Rooms, Great Queen Street, London, W.C.2, from 11.15 a.m. until the conclusion of that Meeting a statement of transactions up to 26th May, 1972, of each Director (and, so far as he can reasonably ascertain, of his family interests) in the share capital and debentures of the Company and its subsidiaries.

Eight Year Record

Earnings, assets and dividends per Ordinary share of the
Company since 1964.

Year ended 31st December	Earnings	Net Assets	Gross Dividends
	p	p	p
1964	1·08	15·83	1·04
1965	1·71	22·50	1·25
1966	1·83	24·58	1·25
1967	3·25	33·75	2·25
1968	7·00	90·00	3·00
1969	13·62	92·35	6·00
1970	14·95	99·56	7·50
1971	17·79	132·33	8·25

Notes:

1. Earnings, assets and dividends per share have been adjusted to allow for the one-for-three scrip issues made in April, 1966, February, 1968 and June, 1969.
2. The earnings per share for 1964 have been calculated on a Corporation Tax basis.

Chairman's Statement

The profits of your Company for the year ended 31st December, 1971, were a record £16,284,583 before taxation and minority interests and after transfers to inner reserves of the banking subsidiary, against £12,160,784 for the previous year. The profits after taxation and minority interests, which are becoming increasingly relevant due to the incidence of franked investment income, overseas earnings and the deconsolidation of certain major subsidiaries, were a record £9,511,517 against £7,368,640 last year.

In November your directors declared an interim dividend of 13% and they now recommend a final dividend of 20% to make a total of 33% compared with 30% last year. Your directors are proposing a one for three scrip issue and intend to maintain the present rate of dividend of 33% on the increased capital. Your directors are making this recommendation as they are confident of the future profitability of the Company and they are also bearing in mind that higher distribution of profits will be of more benefit to shareholders when the proposed imputation system of corporation tax comes into effect next year.

The year 1971 saw the virtual completion of your Board's programme to divest your Company of its direct industrial interests and to concentrate upon developing its banking, investment, property, insurance and overseas activities. During the last three years a tremendous amount of work and energy has been channelled into disposing of our direct industrial interests. In the last twelve months alone, our polymer manufacturing interests were successfully offered to the public under the name of Allied Polymer Group Limited and our metal window and engineering interests have been merged into one company, Crittall-Hope Engineering Limited, in which we now own less than a 50% interest. Our textile interests and our assets in Argentina have also been sold.

All the energy and effort spent on divesting your Company of its industrial interests is now being channelled into further

development in the areas of business we have chosen. Banking, investment, property and insurance all inter-link with finance as the strong common theme. None of these areas is labour intensive, all are expanding and all should benefit greatly from Britain's entry into the Common Market.

Our overseas interests are an increasingly significant and fast-expanding part of our business and I have endeavoured, later in this report, to give a clearer view of their size and potential. In the long term your Company aims to become a truly international group. Our interests in South Africa, Australia, Singapore, Hong Kong and Canada are now a substantial nucleus to build upon. As and when opportunities arise, we will commence operations in other countries and obviously Europe is now a prime objective.

It is important for shareholders to realise that because of the change in our activities profits before taxation are becoming less important as a measure of the Group's progress, whereas profits after taxation and minority interests are now increasingly significant. Since the end of the financial year your Company has reduced its shareholdings in Crittall-Hope Engineering Limited and Slater, Walker Securities (South Africa) Limited and as a result these companies are no longer subsidiaries. The effect of deconsolidating these two companies in the current financial year will be to reduce the Group's profits before taxation by approximately £2.3m. in 1972, although the profits from these sources after taxation and minority interests will be virtually unchanged. The reason for this is that while we owned more than 50% of the equity capital of Crittall-Hope and Slater, Walker Securities (South Africa) the Group's profits before taxation included 100% of their profits. The profits attributable to the shares not owned by your Company were then deducted separately as minority interests. When our shareholdings fell below 50%, the companies ceased to be subsidiaries and only our share of their profits is included in the Group's profit before taxation and no deduction has to be made for minority interests.

Chairman's Statement

The deconsolidation of these important companies has also had a marked and beneficial effect on the balance sheet of your Company. As there have been other major developments since the 31st December, 1971, such as the launching of the Slater, Walker Dual Trust and the issue of £10 million of 9% Unsecured Loan Stock, a pro-forma unaudited consolidated balance sheet showing the effect of all these transactions is included in the Accounts on pages 30 and 31. You will be pleased to see that shareholders' funds, being the share capital, reserves and undistributed profits, have increased very substantially from £51m at the 31st December, 1970, to £73m at the 31st December, 1971 and £85m at the date of the pro-forma consolidated balance sheet.

I will now report on the highlights of the year and give a brief outline of our activities:

1. Investment Banking

Slater, Walker Limited, our investment banking subsidiary, has expanded its activities very substantially indeed during the year under review. There was a considerable increase both in the number of client companies in which we made an investment and also of clients for which the Bank acts solely in a merchant banking capacity. Corporate finance fees increased by approximately 80% compared with the previous year and we expect a further substantial increase in both activity and fees earned in 1972.

Our commercial banking activities are also being steadily expanded. During the year there was a considerable increase in the level of deposits and advances and we have recently strengthened the management in this area with a view to further expansion during the current year.

Our new bank, Slater, Walker (Jersey) Limited, has had a very encouraging first year and in view of the excellent progress it has made we have recently established another company, Slater, Walker (Guernsey) Limited, on a similar basis. Another new subsidiary, Slater, Walker (Isle of Man) Limited, will

shortly open an office in Douglas. We are also planning to open several branch offices in the provinces. We hope to have this programme well under way by the end of this financial year, and to have significantly increased our coverage of the United Kingdom as a result.

We have also formed a new subsidiary, Slater, Walker Finance Limited, to take advantage of the expanding market in credit finance. We regard this as a natural extension of our comprehensive range of financial and banking services. The activities of the new company include hire purchase, leasing and a wide range of other investment credit services. Although the company did not commence operations until October, 1971, it has already made encouraging progress.

One of the main factors contributing to your Company's overall growth in assets and earnings has been the success of our policy of acquiring a significant stake in many of the companies for which we act as financial advisers. During the year under review the share prices and the underlying fundamental values of most of these companies appreciated very substantially. With our very strong cash position we are now well poised to take advantage of any setback in the market as a whole.

2. Investment Management

Slater, Walker Investments Limited has enjoyed an excellent year. The overall funds under management have increased from £46m at the beginning of 1971 to well over £200m today.

We entered the investment trust field initially by becoming investment advisers to Flag Investment Trust Limited, which we are pleased to report was the best performing investment trust in the United Kingdom in 1971.

In November, 1971, we launched Slater, Walker Investment Trust Limited which is a £22.5m investment trust specialising in asset situations. The underlying asset value, before capital gains tax and conversion of the loan stock, has already appreciated

Chairman's Statement

from its initial value of 96p per share, after issue expenses, to 141p per share at the 31st March, 1972.

In January, 1972, we launched Slater, Walker Dual Trust Limited which is a £30m trust specialising in active financially orientated companies, many of which are our merchant banking clients. We are pleased to report that the underlying portfolio has already appreciated to such an extent that the net asset value, before capital gains tax, of the capital shares was 132p per share at 31st March, 1972, compared with their initial value of 97p per share, after issue expenses.

During the year we launched the Slater, Walker Financial Unit Trust and the Slater, Walker Growth Investors Trust both of which have since performed extremely well. We are pleased to say that two of our unit trusts were in the top twenty of the 270 United Kingdom unit trusts in 1971 and all five of the unit trusts under our management out-performed the Financial Times All-Share Index.

3. Insurance

Our insurance interests made great progress in 1971. During the year we acquired The Pioneer Life Assurance Company Limited and Blackburn Assurance Company Limited, which have been established for 80 and 130 years respectively. Both these companies are based in Liverpool and concentrate their activities in the field of industrial life assurance thus affording considerable scope for the rationalisation of their operations. We are confident that with the benefit of our investment expertise, an integrated organisation and better marketing methods, these companies can make a very substantial contribution to your Company's future profitability and also improve the bonuses attributable to policyholders.

During the year we sold our insurance broking subsidiary, Walker, Young & Co. Limited, for shares in another insurance broking company, Wigham-Richardson & Bevingtons Limited. We also concurrently acquired a further shareholding in Wigham-Richardson. We have since placed some of

our shares in Wigham-Richardson and now own 43% of this publicly quoted company. The activities of Wigham-Richardson and Walker, Young are gradually being integrated and we are confident that following completion of this programme, the combined group will be well placed for further expansion.

During 1971 we started operations in the field of composite insurance and initial progress is very encouraging. We have been most gratified by the support given to us by insurance brokers. We aim to develop this branch of your Company very substantially in the years ahead.

Slater, Walker Insurance Company Limited continues to build up its pensions and life business and is making good progress. We have recently advertised the Slater, Walker Guaranteed Growth Bond and more recently the Slater, Walker Income Annuity Bond, and we have offered these products to the general public. The response has been pleasing and we anticipate that this business will develop steadily.

Overall, we are looking forward to a year of consolidation of our insurance interests in 1972. We are sure that they will be the source of substantial and increasing profitability in the years ahead.

4. Property

The year 1971 has also been one of significant expansion in the property field. From a purely incidental involvement in property your Company now has shares in three quoted property companies valued at approximately £8m and direct property investments of over £20m.

The three companies, Cornwall Property (Holdings) Limited, Sterling Land Company Limited and Argyle Securities Limited, have all been outstanding investments and the values of their underlying portfolios have increased substantially both by organic growth and by acquisition.

In addition we are developing three properties in Paris and we have purchased the leasehold of a department store in Regent Street formerly occupied by Galeries

Chairman's Statement

Lafayette and the freehold of the Westland Aircraft site at Hayes, Middlesex.

During the year we acquired The Solicitors' Law Stationery Society Limited which owns Oyez House in Fetter Lane. We are pleased to report that this company produced increased profits for the fifth year in succession. Plans are at an advanced stage to relocate this operation in larger premises in South London thus enabling Oyez House to be redeveloped. It is our intention to obtain a separate quotation for the company before the end of 1973.

5. Overseas

(i) *South Africa*

During my visit to South Africa in February, 1972, a complex transaction was completed as a result of which Slater, Walker Securities (South Africa) now owns 19% of Unisec Limited, a R30m quoted investment trust, and 18% of its management company, Unit Securities and Trust Company of South Africa Limited.

We now own 41% of Slater, Walker Securities (South Africa) which at 31st March, 1972, was capitalised at £33m, making our investment worth approximately £14m compared with its original cost of approximately £4.5m. This is entirely representative of the sort of asset building that can be achieved in overseas territories and we have every confidence that our stake in Slater, Walker Securities (South Africa) will continue to be a very attractive long-term investment.

The company has again enjoyed record earnings and from an increased asset base is looking forward to a further increase in earnings in 1972.

(ii) *Canada*

Slater, Walker of Canada Limited was capitalised at £9m at 31st March, 1972. Currently we own 36%, which makes our investment worth £3m. This company owns 38% of Peoples Department Stores Ltd, a quoted retail stores group, and 66% of Unas Investments Limited, a quoted investment company which in turn has shareholdings in two other publicly quoted companies, Inter-City Gas Limited (30%) and Alliance Building Corporation Limited (28%).

We are particularly pleased that Canadian investors have also participated in the growth of the company and that through its shareholding in Unas we have an association with The Toronto-Dominion Bank which is represented on the board of that company.

(iii) *Australia*

Since we renewed our association with Australian Industrial and Mining Corporation Limited (Austim) in November, 1970, progress has been made in restructuring the company and restoring it to profitability. Our renewed association has been further evidenced by the change of the name of the company to Slater Walker Australia Limited.

While 1971 was essentially a year of recovery, it is pleasing to report that net attributable profits for the year increased substantially and that the company is now forecasting a significant further improvement in 1972.

We are sorry to lose the services of Michael McAlister, who was Chairman of Slater Walker Australia, but shareholders will I am sure join us in congratulating him on his appointment as the first full-time President of the Australian Associated Stock Exchanges. Mr. R. C. Tarling, who rejoined the Board of the company in November, 1970, succeeds Mr. McAlister as Chairman.

Slater Walker Australia was capitalised at 31st March, 1972, at approximately £36m and our 35% shareholding was valued at approximately £13m.

(iv) *Singapore*

In June, 1971, the Group, in conjunction with Slater Walker Australia, acquired a 46% interest in Haw Par Brothers International Limited, a publicly quoted company in Singapore. This holding was later increased to almost 50% by market purchases.

Haw Par had interests in newspapers, banking, pharmaceuticals and properties in Singapore, Malaysia, Thailand, Hong Kong and Taiwan. Following a complicated series of transactions, the company has been completely restructured and its assets now comprise interests in pharmaceutical manufacture and distribution, properties, quoted investments and substantial cash resources

Chairman's Statement

available for re-investment. Haw Par will in future concentrate upon investment banking and property interests on a very similar basis to that followed by your Company in this country.

Haw Par has recently expanded into Hong Kong with the acquisition in March, 1972, of a 70% interest in Kwan Loong, a public company with pharmaceutical interests in Hong Kong, Malaysia and Indonesia. The pharmaceutical interests will be integrated with Haw Par's "Tiger" range of pharmaceuticals and Kwan Loong will be developed as Haw Par's investment banking associate in Hong Kong. It is envisaged that Haw Par will also extend its investment banking operations into Malaysia in the near future.

Haw Par was capitalised at 31st March, 1972, at £29m and our 27% stake in the company was worth £8m. In addition, Slater Walker Australia also has a substantial shareholding in Haw Par.

(v) *Hong Kong*

In November, 1970, we arranged a secondary listing of your Company's Ordinary shares on the Hong Kong Stock Exchange as an initial step to familiarise local investors with our activities. During 1972 there have been three major developments.

We have acquired through Haw Par a 65% stake in King Fung, a Hong Kong quoted property company. In parallel, it was announced that King Fung would acquire Southern Pacific Properties, the resort and tourist development company with extensive interests in Fiji in which your Company has a 20% interest. This gives Southern Pacific Properties a quotation in Hong Kong as a base for future expansion.

The second main development was the flotation in Hong Kong of Slater, Walker Overseas Investments Limited, an investment trust with an initial capital of approximately £6m, which will concentrate in the main upon investment in our overseas associated companies. The market reception of Slater, Walker Overseas Investments was excellent and the issue was six times over-subscribed. Your Company has retained a 30% interest in Slater, Walker Overseas Investments Limited.

In March, 1972, your Company purchased a 10% stake in Hutchison International Limited, the Hong Kong based international investment group, with interests in the Far East, Australia and the United Kingdom. In parallel, Hutchison International purchased 500,000 existing Ordinary shares of your Company and 2,000,000 existing shares of Haw Par. As a result of these arrangements Slater, Walker Securities will be assisting Hutchison International in its international expansion, with particular emphasis on Australia and the United Kingdom, while Hutchison International will assist us in our further expansion in Hong Kong and the Far East.

(vi) *General*

The total market value of our investments overseas at 31st March, 1972, exceeded £54m. Our overseas activities are therefore very significant both in total amount and in relation to our overall resources. As a general pattern, the local investing public in each country has been given the opportunity to participate with us in the growth of our overseas companies. This is obviously an important thematic policy which we will endeavour to follow in all countries to which we extend our activities. It has the added benefit of helping us to overcome local borrowings restrictions which frequently favour increased local participation. We feel that we make a valuable contribution to the economies in which we operate by stimulating the use of assets to the maximum possible extent. This must obviously benefit all concerned.

We welcome the prospect of the United Kingdom joining the European Economic Community and we will seek every opportunity to obtain a positive interest within it. We do not yet know the form of any new association we may develop in Europe as we are currently exploring several possibilities. We are confident, however, that we will be actively involved there before I report to you next year.

6. Management

In July, 1971, Mr. I. H. Wasserman was invited to become a member of your Board. Mr. Wasserman joined us in 1967 and was

Chairman's Statement

responsible for the Slater, Walker High Income Trust having been the top performing U.K. unit trust in 1970. Since then he has been responsible for a significant proportion of our corporate finance business and he continues to play a developing role in this respect.

In February, 1972, Mr. A. J. H. Buckley, who joined us in 1966, took over from me my responsibility as Managing Director of your Company. This appointment will enable me as Executive Chairman to concentrate on overall strategy and our increasingly important overseas activities.

Mr. F. R. R. Rowe, who joined us in 1965, was appointed Deputy Managing Director in February, 1972. At the same time Mr. M. J. Booth was also invited to join the Board. Mr. Booth has been mainly responsible for the successful development of the administrative side of our investment banking activities.

7. Future Prospects

Your Company's business is now concentrated in areas where your Directors consider the long-term growth prospects to be excellent. Our cash position is extremely healthy, the management team is stronger than at any time in the past and we are therefore well placed to take full advantage of all opportunities for profitable expansion.

In each financial year since your Company was reconstituted in 1964 there has been a progressive increase in earnings and assets per share. Your Directors are confident that, in the absence of unforeseen circumstances, this pattern will be maintained in the years ahead.

I have referred earlier in this statement to the energy and hard work involved in progressing to our present position. I am sure that as shareholders you would wish to join with your Directors in expressing very real appreciation to all our executives and staff who are the key to your Company's success.

J. D. SLATER
Chairman

14th April, 1972.

Report of the Directors

The Directors present their annual report and the audited accounts for the year ended 31st December, 1971.

Activities of the Company and its subsidiaries

The Company is a holding company, whose principal operating subsidiaries and their activities are set out on page 28.

Group Profits and Turnover

The consolidated profit and loss account is set out on page 15 and shows the group profit for the year ended 31st December, 1971.

An analysis of profits and, where appropriate, turnover by activity is given below:—

	1971		1970	
	Profits £'000	Turnover £'000	Profits £'000	Turnover £'000
Investment banking and other financial activities	12,497		7,320	
Insurance	823		225	
Commercial and Industrial activities:				
Rubber and plastic products	851	13,050	1,568	23,446
Textiles	369	9,917	425	15,122
Engineering and metal windows	2,629	31,107	2,101	30,758
Tanning extract	761	3,900	1,686	9,024
Optical services	112	801	689	3,485
Printing and stationery	361	3,570	—	—
Wholesale tobacconists	482	38,700	—	—
Other	(28)	23	36	783
		<u>101,068</u>		<u>82,618</u>
Less: Expenses of holding company including interest on Unsecured Loan Stocks	(2,572)		(1,889)	
	<u>16,285</u>		<u>12,161</u>	
Turnover comprises the net amounts invoiced to customers.				
A geographical analysis of the above profit is as follows:—				
United Kingdom and Channel Islands	11,891		7,405	
Australasia	650		353	
Africa	2,462		2,167	
North America	1,280		1,481	
Argentina	—		697	
Other countries	2		58	
	<u>16,285</u>		<u>12,161</u>	
Export turnover included above (excluding sales by overseas subsidiaries)		<u>2,308</u>		<u>6,968</u>

Dividend on Ordinary Capital

An interim dividend of 13% less income tax was paid on 8th November, 1971 and a final dividend of 20% less income tax will be proposed at the Annual General Meeting to be held on 1st June, 1972. If approved, this dividend will be paid on 6th June, 1972, to members on the register on 24th April, 1972. The total dividend for the year will, therefore, be 33% compared with the total of 30% paid in respect of the previous year.

Report of the Directors

Directors and Directors' Interests

All the Directors listed on page 2 were Directors throughout 1971, with the exception of Mr. I. H. Wasserman who was appointed on 7th July, 1971 and Mr. M. J. Booth who was appointed on 3rd February, 1972. In accordance with the Articles of Association Mr. Wasserman and Mr. Booth hold office until the conclusion of the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election. The Director retiring by rotation is Mr. F. R. R. Rowe who, being eligible, offers himself for re-election.

The Directors of Slater, Walker Securities Limited, and their immediate families, beneficially owned, or were interested in, the following shares and unsecured loan stock of Slater, Walker Securities Limited :—

	At 1st January, 1971 or, if appointed during 1971, at date of appointment				At 31st December, 1971			
	Ordinary shares	Options to subscribe for Ordinary shares	Ordinary shares 2·5p paid	7 per cent. Unsecured Loan Stock 1973	Ordinary shares	Options to subscribe for Ordinary shares	Ordinary shares 2·5p paid	7 per cent. Unsecured Loan Stock 1973
J. D. Slater	1,000,000	—	—	—	1,000,000	—	—	£2,000,000
A. J. H. Buckley	122,440	—	—	—	122,440	—	—	—
F. R. R. Rowe	21,690	—	—	—	21,690	—	—	—
R. C. Tarling	35,000	10,000	—	—	35,000	10,000	—	—
J. Ford	25,000	35,554	—	—	26,000	28,554	—	—
I. H. Wasserman	10,000	—	20,000	—	10,000	—	20,000	—

The Directors and their immediate families had no other interests, beneficial or non-beneficial, in the share capital and unsecured loan stocks of the Company or any of its subsidiaries.

None of the Directors has any formal service contract with the Company.

Share Capital

Changes during the year are shown on page 21.

Loan Stocks

During the year the Company issued, or had agreed to issue :—

- £250,000 8½% Unsecured Loan Stock 1991/96 in respect of an exchange for a Debenture Stock of a company which was a subsidiary at the time of the offer ;
- £1,677,467 7% Unsecured Loan Stock 1973 in respect of the acquisition of the whole of the issued share capital of The Solicitors' Law Stationery Society Limited and part of the issued share capital of Haw Par Brothers International Limited ;
- £9,270,487 9% Unsecured Loan Stock 1991/96 in respect of the acquisition of Blackburn Assurance Company Limited ;
- £709,220 8½% Unsecured Loan Stock 1988/93 in respect of the acquisition of Park Estates (London) Limited.

Fixed Assets

Changes during the year are shown on page 24.

Employees

The average number of persons employed in the United Kingdom during the year by companies within the Group at 31st December, 1971, was 10,331 and their aggregate remuneration for the year was £12,665,660.

Report of the Directors

Political and Charitable Donations

During the year companies within the Group at 31st December, 1971, made the following contributions:—

(a) For political purposes:	The Conservative Party:	£15,000
	Aims of Industry:	£5,015
	Economic League:	£1,500
(b) For charitable purposes:		£18,464

Taxation

(a) The market valuation of Slater, Walker Securities Limited shares on 6th April, 1965, for the purpose of capital gains tax, after taking into account the one-for-three scrip issues of Ordinary shares in April, 1966, February, 1968 and June, 1969, was:—

Ordinary shares of 25p each	36.52p
5 $\frac{3}{4}$ % Cumulative Preference shares of £1 each	68.75p

(b) The Company does not fall within the close company provisions of the Income and Corporation Taxes Act 1970.

Auditors

The auditors, Messrs. Arthur Young McClelland Moores & Co., have expressed their willingness to continue in office in accordance with Section 159 (2) of the Companies Act 1948.

By Order of the Board

C. D. MACINNES

Secretary

14th April, 1972.

Report of the Auditors

TO THE MEMBERS OF SLATER, WALKER SECURITIES LIMITED

In our opinion, based upon our examination and the reports of the auditors of the subsidiaries not audited by us, the accounts set out on pages 15 to 29 together give, so far as concerns members of Slater, Walker Securities Limited, a true and fair view of the state of affairs at 31st December, 1971, and of the results for the year ended on that date and comply with the Companies Acts 1948 and 1967.

ARTHUR YOUNG McCLELLAND MOORES & CO.

Chartered Accountants.

London,
14th April, 1972.

Consolidated Profit and Loss Account

Slater, Walker Securities Limited and Subsidiaries
For the year ended 31st December, 1971

1970

£	£		£	£
11,672,716		Profit of the Company and its subsidiaries after transfers to inner reserves of a banking subsidiary (Note 1)		14,732,922
488,068		Share of profit of associated companies		1,551,661
<u>12,160,784</u>		Profit for the year before taxation		<u>16,284,583</u>
		Deduct: Taxation on profit for the year		
	2,508,648	Corporation tax	4,324,369	
	(64,997)	Double tax relief	(36,951)	
	1,214,568	Overseas tax	747,976	
	221,837	Associated companies	624,476	
<u>3,880,056</u>				<u>5,659,870</u>
8,280,728		Profit for the year after taxation		<u>10,624,713</u>
912,088		Deduct: Minority interests		1,113,196
<u>7,368,640</u>		Net Profit of the Group		<u>9,511,517</u>
		Deduct: Dividends of Slater, Walker Securities Limited		
	193,408	Preference	193,408	
	1,439,312	Ordinary: Interim	1,699,153	
	2,159,094	Final	2,618,711	
<u>3,791,814</u>				<u>4,511,272</u>
3,576,826		Profit retained		<u>5,000,245</u>
	6,022,633	Undistributed profits brought forward	8,641,627	
	—	Loss on exchange on undistributed profits	(94,881)	
	(554,695)	Attributable to subsidiaries disposed of in year	(1,414,034)	
	111,448	Prior year adjustments	192,235	
	(514,585)	Capitalisation of undistributed profits	—	
<u>5,064,801</u>				<u>7,324,947</u>
		Undistributed profit carried forward		
	1,686,114	The Company	2,758,593	
	6,875,290	Subsidiaries	8,974,485	
	80,223	Associated companies	592,114	
<u>£8,641,627</u>				<u>£12,325,192</u>

The notes on pages 20-29 form part of this account.

Slater, Walker Securities Limited

1970

		£	£
15,362,103	Share Capital (Note 3)		16,457,183
27,126,563	Reserves (Note 4)		43,886,486
8,641,627	Undistributed Profit		12,325,192
51,130,293			72,668,861
33,347,139	Unsecured Loan Stocks (Note 5)		45,130,001
3,541,304	Loan Stocks of Subsidiaries (Note 6)		6,132,051
7,955,054	Minority Interests		11,576,912
1,418,925	Corporation Tax and Deferred Taxation (Note 7)		4,011,597
	Current Liabilities		
71,978,715	Creditors, deposits and short term loans (Note 2) Secured : £1,044,739. (1970 : £2,888,242)	124,721,569	
3,823,924	Current taxation	1,567,344	
6,798,867	Bank overdrafts Secured : £31,209. (1970 : £398,558)	11,117,904	
2,159,094	Proposed final dividend	2,618,711	
84,760,600			140,025,528
£182,153,315			£279,544,950

The notes on pages 20 -

Balance Sheet

Subsidiaries at 31st December, 1971

1970			
£	£		£
29,210,184		Fixed Assets (Note 8)	32,610,371
1,052,077		Insurance Companies at Cost (Note 9)	14,283,755
1,370,524		Associated Companies at Valuation (Note 10)	22,342,511
		Investments at Cost	
13,463,105		Quoted in United Kingdom: Market Value £23,957,674 (1970: £12,567,686)	19,128,700
9,044,528		Quoted outside United Kingdom: Market Value £560,778 (1970: £6,706,372)	596,794
5,103,585		Unquoted: Directors' Valuation £2,756,740 (1970: £5,402,239)	2,343,418
27,611,218			22,068,912
		Current Assets	
18,087,055		Stock and work in progress at lower of cost and net realisable value	12,808,554
74,312,842		Debtors, loans and advances	101,063,042
—		Properties held for resale	7,986,664
7,317,839		Investments: Value £38,650,979 (1970: £8,012,535) (Note 11)	27,203,797
122,909,312	23,191,576	Bank balances and cash	39,177,344
			188,239,401
		J. D. SLATER } JOHN FORD } Directors	
£182,153,315			£279,544,950

art of these accounts.

Slater, Walker Securities

1970

£	£		£	£
15,362,103		Share Capital (Note 3)		16,457,183
12,353,712		Reserves (Note 4)		24,851,503
1,686,114		Undistributed Profit		2,758,593
29,401,929				44,067,279
33,347,139		Unsecured Loan Stocks (Note 5)		45,130,001
		Current Liabilities		
	4,021,654	Creditors	342,661	
	13,675	Bank overdraft	5,714,404	
	2,159,094	Proposed final dividend	2,618,711	
6,194,423				8,675,776

£68,943,491

£97,873,056

The notes on pages 20–29

Notes on the Accounts

1. CONSOLIDATED PROFIT AND LOSS ACCOUNT

1970		1971
		£
£82,618,382	(a) Turnover comprises only the net amounts invoiced to customers in the course of commercial and industrial activities	£101,068,491
	(b) The profit of the Company and its subsidiaries is arrived at:—	
	After crediting income from investments, gross	
1,320,727	Quoted	1,417,913
397,555	Unquoted	403,285
	After charging	
1,735,198	Depreciation	1,396,950
	Remuneration of Directors—Fees	—
93,451	—Other Emoluments	103,457
156,156	Remuneration of Auditors	134,857
	Interest payable, gross (other than by Slater, Walker Limited)	
1,746,837	Bank overdrafts and other loans repayable within 5 years	1,557,498
1,066,160	7% Unsecured Loan Stock 1973	1,135,759
190,424	8½% Unsecured Loan Stock 1988/93	190,424
1,211,734	8½% Unsecured Loan Stock 1991/96	1,365,372
	9% Unsecured Loan Stock 1991/96	66,290
221,042	Loan stocks of subsidiaries	422,322
24,109	Other loans	59,272
	(c) The share of profits of associated companies relates only to companies other than subsidiaries in which the Group holds not less than 20% of the equity as a long term investment and exercises a significant influence in their management. The profits of the companies listed on page 29 where our shareholdings exceed 20% have not been included. These companies are in the main investment banking clients where the Group takes no part in the management other than acting as financial advisers and the shareholdings are subject to fluctuation.	
	(d) The profit before taxation includes the results of subsidiaries and associated companies acquired during the year from the effective dates of their acquisition. Only dividends received are included in respect of companies which ceased to be subsidiaries during the year.	
	(e) Provision for U.K. Corporation Tax has been made at the rate of 40%. The profit for the year includes Franked Investment Income and profits arising overseas which are not subject to taxation unless they are remitted to the United Kingdom.	
	(f) The net profit of the Group has been dealt with in the accounts of the holding company to the extent of £5,583,751 (1970: £5,014,467).	

2. SLATER, WALKER LIMITED

The accounts of this subsidiary company have been prepared on the basis authorised for banking companies and have been consolidated accordingly. Its profits after transfers to inner reserves are included under Investment Banking in the analysis set out in the Report of the Directors on page 11. The inner reserves at 31st December, 1971, are included in the Consolidated Balance Sheet under Creditors, deposits and short term loans.

Notes on the Accounts

3. SHARE CAPITAL

(a) Authorised

The Authorised Share Capital at 31st December, 1971, consisted of 3,637,500 5¼% Cumulative Preference shares of £1 each and 64,000,000 Ordinary shares of 25p each. At an Extraordinary General Meeting held on 16th September, 1971, the Authorised Share Capital was increased by the creation of 4,000,000 Ordinary shares of 25p each.

(b) Issued	£	£
Ordinary shares of 25p		
Fully paid		
Issued at 31st December, 1970	11,994,969	
Issued or agreed to be issued in respect of companies acquired during the year	955,679	
Issued for cash on the exercise of subscription rights by holders of 7% Unsecured Loan Stock 1973	125,101	
Issued for cash under the share option scheme	13,605	
		13,089,354
Partly paid		
Issued for cash during the previous year under the terms of the share incentive scheme (see note (c) below)	3,505	
Issued for cash during the year under the terms of the share incentive scheme	695	
		4,200
5¼% Cumulative Preference shares of £1, fully paid		3,363,629
		<u>£16,457,183</u>

(c) Partly paid

At 31st December, 1971, Ordinary shares to the nominal value of £269,000 had been allotted at prices between 144p and 300p per share to executives under the terms of the share incentive scheme approved by shareholders at the Extraordinary General Meeting held on 7th July, 1970.

(d) Share options

There were outstanding at 31st December, 1971, options granted to Directors and Executives to subscribe for Ordinary shares to the nominal value of £68,787 at prices between 42p and 358p per share. The options held by Directors were all granted to them before they became Directors. These options are capable of being exercised over varying periods up to 1st December, 1979, and options in respect of shares to the nominal value of £22,955 were exercisable on 31st December, 1971.

(e) Subscription rights

There were outstanding at 31st December, 1971, rights attaching to the 7% Unsecured Loan Stock 1973 to subscribe for Ordinary shares to the nominal value of £718,346 (see note 5).

(f) Warrants to subscribe for Ordinary shares

There were outstanding at 31st December, 1971, warrants to subscribe for Ordinary shares to the nominal value of £516,877 at a price of 300p per share.

Notes on the Accounts

4. RESERVES

	Company £	Group £
Balance at 31st December, 1970	512,974	15,285,825
Surplus arising on valuation of investments in associated companies		4,066,934
Net profits on sale of assets and investments held by investment companies (see note (a) below)		2,324,111
Excess of proceeds from disposal of shares in subsidiaries sold in the year over book values (see note (a) below)		3,080,956
		<u>24,757,826</u>
Excess of cost of shares in subsidiaries over attributable net tangible assets		(3,993,554)
Change in basis of depreciation following acquisition of subsidiaries after deducting taxation and minority interests		(435,406)
Reduction in Sterling values of overseas assets resulting from currency revaluations		(780,909)
Expenses of Hong Kong listing and cost of increasing share capital and loan stock	(106,080)	(106,080)
	<u>406,894</u>	<u>19,441,877</u>
Share Premium Account (see note (b) below)	24,444,609	24,444,609
	<u>£24,851,503</u>	<u>£43,886,486</u>

Notes :

- (a) The liability to taxation arising on net profits on sales of assets and investments held by investment companies and surplus on subsidiaries sold has been reduced or extinguished by reason of losses brought forward and by reason of differences between the treatment for taxation and accounting purposes.

(b) Share Premium Account

	£
Balance at 31st December, 1970	11,840,738
Arising during year :	
On acquisition of subsidiary companies	5,788,276
On acquisition of associated company	5,891,461
On exercise of options by executives of the Company	58,503
On partly paid shares issued under the executive share incentive scheme	5,560
On exercise of subscription rights by holders of 7% Unsecured Loan Stock 1973	860,071
	<u>£24,444,609</u>

Notes on the Accounts

5. UNSECURED LOAN STOCKS

1970		1971
£		£
15,231,161	7% Unsecured Loan Stock 1973	16,784,316
2,240,280	8½% Unsecured Loan Stock 1988/93	2,949,500
15,875,698	8½% Unsecured Loan Stock 1991/96	16,125,698
—	9% Unsecured Loan Stock 1991/96	9,270,487
<u>£33,347,139</u>		<u>£45,130,001</u>

The 7% Unsecured Loan Stock 1973 carries subscription rights entitling holders to subscribe for a total of 20 Ordinary shares for every £100 nominal of Stock, exercisable on 31st October, 1972, and on 31st May, 1973, at a price of £1·96875 per share. If not previously redeemed it will be repaid at par on 31st May, 1973.

If not previously redeemed the 8½% Unsecured Loan Stock 1988/93 will be repaid at par on 31st December, 1993, the 8½% Unsecured Loan Stock 1991/96 will be repaid at par on 30th September, 1996 and the 9% Unsecured Loan Stock 1991/96 will be repaid at par on 31st December, 1996.

The rate of interest payable on the 7 per cent. Unsecured Loan Stock 1973 has been increased to 8 per cent. with effect from 1st June, 1972. The rate of interest payable on the 8½ per cent. Unsecured Loan Stock 1988/93 and the 8½ per cent. Unsecured Loan Stock 1991/96 has been increased to 9½ per cent. with effect from 1st July, 1972 and 1st April, 1972, respectively.

6. LOAN STOCKS OF SUBSIDIARIES

1970		1971
£		£
250,000	7½% Debenture Stock 1981/85	—
240,000	8½% Mortgage Stock repayable in half yearly instalments up to 1982	220,000
584,795	8% Unsecured Debenture Stock 1973/87	515,464
—	6½% Unsecured Loan Notes repayable in annual instalments to 1979	270,619
—	Mortgage Loan 1992 at varying rates of interest	450,000
2,466,509	Other loans wholly repayable within five years	4,675,968
<u>£3,541,304</u>		<u>£6,132,051</u>

7. CORPORATION TAX AND DEFERRED TAXATION

1970		1971
£		£
962,269	Corporation tax, payable 30th September, 1972, or later	3,007,685
456,656	Deferred taxation	1,003,912
<u>£1,418,925</u>		<u>£4,011,597</u>

No provision has been made for deferred taxation of approximately £590,000 (1970: £750,000) in respect of expenditure on plantations etc. carried forward in the accounts but already allowed for tax.

Notes on the Accounts

8. FIXED ASSETS — GROUP

	Freehold Properties including Plantations	Leasehold Properties		Plant, Machinery, Vehicles, etc.	Total
	£	Over 50 years	Under 50 years	£	£
Net book value at 31st December, 1970	15,364,884	658,728	1,935,921	11,250,651	29,210,184
Exchange differences	(909,861)	—	(1,954)	(267,778)	(1,179,593)
Additions at cost, less investment grants	5,848,417	62,674	1,212,330	1,675,880	8,799,301
Assets of subsidiaries acquired during the year	7,384,312	89,770	11,315	1,163,018	8,648,415
Less: Assets of subsidiaries disposed of	(3,267,261)	(402,852)	(61,765)	(5,564,364)	(9,296,242)
Other disposals	(857,091)	(144,594)	(1,394)	(637,087)	(1,640,166)
Depreciation charged in 1971	(32,192)	(8,251)	(67,646)	(1,288,861)	(1,396,950)
Change in basis of depreciation following acquisition of subsidiaries, written off to reserves	(38,000)	—	—	(496,578)	(534,578)
Net book value at 31st December, 1971	<u>£23,493,208</u>	<u>£255,475</u>	<u>£3,026,807</u>	<u>£5,834,881</u>	<u>£32,610,371</u>
Representing assets stated at:—					
Cost	11,123,161	243,725	1,379,609	14,212,262	26,958,757
Valuation	12,879,735	70,000	1,780,000	454,000	15,183,735
Less: Accumulated depreciation	(509,688)	(58,250)	(132,802)	(8,831,381)	(9,532,121)
	<u>£23,493,208</u>	<u>£255,475</u>	<u>£3,026,807</u>	<u>£5,834,881</u>	<u>£32,610,371</u>

Notes:

(a) The fixed assets of Slater, Walker Securities Limited having a net book value of £1,799,562 at 31st December, 1971, (1970: £1,741,272) are included above.

(b) The assets included at valuation above were valued:—

In 1971	£
(i) On a going concern basis by professional valuers	75,000
(ii) At Directors' valuation on open market value basis	1,252,000
	<u>1,327,000</u>
In 1970	7,588,926
In 1969	340,047
In 1968	5,288,989
In 1965	244,000
In 1964	77,773
In 1960	213,000
In 1951	104,000
	<u>£15,183,735</u>

(c) No depreciation is provided on the majority of the Group's freehold properties.

Notes on the Accounts

9. INSURANCE COMPANIES

The Group's wholly owned insurance companies are:—

Slater, Walker Insurance Company Limited

Blackburn Assurance Company Limited—acquired in December, 1971.

The Pioneer Life Assurance Company Limited—acquired in July, 1971.

The accounts of these companies have been prepared on the basis authorised for insurance companies and their combined balance sheets at 31st December, 1971, are summarised as follows:—

1970			1971	
£	£		£	£
1,052,077		Share capital and reserves		3,637,106
4,258,500		Life assurance and annuity funds and reserves		42,549,905
		Current liabilities and provisions		
	274,906	Creditors	2,007,706	
	41,000	Taxation	152,165	
	199,360	Net amount due to Slater, Walker Group (see note below)	3,160,602	
	—	Bank overdraft	55,981	
515,266				5,376,454
£5,825,843				£51,563,465
		Fixed assets		
		Plant, machinery, vehicles etc. at cost less depreciation		132,565
		Investments		
	4,737,522	Quoted, at cost less reserves (1970 cost). Market value £35,383,945 (1970: £5,006,944)	27,512,701	
	201,560	Unquoted at cost	1,559,934	
	—	Loans	759,070	
	—	Mortgages on property	12,601,379	
	—	Freehold property and ground rents	1,781,580	
	—	Leasehold ground rents	102,435	
4,939,082				44,317,099
		Current assets		
	146,891	Debtors	3,774,219	
	739,870	Bank balances and cash	2,649,918	
886,761				6,424,137
		Goodwill		689,664
£5,825,843				£51,563,465

Note:

This amount is included in "Debtors, loans and advances" in the Consolidated Balance Sheet.

10. ASSOCIATED COMPANIES

The Group's investments in quoted associated companies have been stated at their market values and in unquoted companies at directors' valuations. At 31st December, 1970, the investments then owned in associated companies were stated at the Company's share of the attributable net assets (£1,370,524), the directors' valuation at that date being £2,071,000. Details of the Group's principal associated companies are set out on page 27.

The valuations at 31st December, 1971, can be summarised as follows:—

	Market value or Directors' valuation £	Cost to Group £
Quoted	18,698,854	14,960,020
Unquoted	3,643,657	3,184,657
	£22,342,511	£18,144,677

The Group's share of the profits of the associated companies is included in the Consolidated Profit and Loss Account and the difference between the excess of the valuations over cost and these profits has been credited to reserves.

Notes on the Accounts

11. INVESTMENTS

The investments included in current assets comprise:—

1970			1971	
£	Market / Directors' Value £		£	Market / Directors' Value £
4,065,707	4,393,673	(a) Shares at the lower of cost and market value	18,862,777	26,757,404
1,411,726	1,777,839	Quoted in the United Kingdom	4,124,304	7,551,243
1,840,406	1,841,023	Quoted outside the United Kingdom	4,216,716	4,342,332
		(b) Unquoted at the lower of cost and Directors' valuation		
<u>£7,317,839</u>	<u>£8,012,535</u>		<u>£27,203,797</u>	<u>£38,650,979</u>

12. CONTINGENT LIABILITIES

The Company has guaranteed bank overdrafts of subsidiary companies which at 31st December, 1971, amounted to £1,263,282 (1970: £4,385,926). Slater, Walker Limited, a wholly owned subsidiary, has issued 4,000,000 Ordinary shares of £1 each to the Company on which only 5p per share has been called and paid up.

Certain subsidiary companies have contingent liabilities in respect of guarantees, indemnities and bills discounted amounting to £1,891,531 (1970: £1,496,436).

13. FUTURE CAPITAL EXPENDITURE

At 31st December, 1971, the Group had:

- (a) Contracts for capital expenditure amounting to £277,111 (1970: £939,948).
- (b) Capital expenditure authorised but not contracted for amounting to £277,965 (1970: £309,158).
- (c) Conditional contracts to acquire properties amounting to £1,283,000 (1970: Nil).

The Company had no commitments for capital expenditure at 31st December, 1970 or 1971.

14. NON-ASSENTING SHAREHOLDERS OF SUBSIDIARY COMPANIES

Notice was given under Section 209 of the Companies Act 1948 on 6th April, 1972, to the non-assenting shareholders of Blackburn Assurance Company Limited, that the shares held by them would be compulsorily acquired by Slater, Walker Securities Limited. In these accounts, it has been assumed that all non-assenting shareholdings were effectively acquired by 31st December, 1971.

15. FOREIGN CURRENCIES

Assets and liabilities in foreign currencies have been converted at the rates of exchange ruling on 31st December, 1971.

16. TAXATION

Provision has not been made for tax which may arise in the event of:—

- (a) Assets being realised at the values shown in the accounts as the liability cannot at present be computed.
- (b) Remittance of retained profits of overseas subsidiary companies to the United Kingdom.

Notes on the Accounts

17. REMUNERATION OF DIRECTORS AND EMPLOYEES

1970 £14,500		1971 £21,250
	Emoluments of Chairman	
	Other Directors :—	
	Number of Directors in receipt of emoluments within the ranges :—	
1	£2,501 to £5,000	—
—	£5,001 to £7,500	1
1	£10,001 to £12,500	—
4	£12,501 to £15,000	—
—	£15,001 to £17,500	4
	Number of employees of U.K. subsidiary companies within the Group at 31st December, 1971, receiving more than £10,000 per annum :—	
10	£10,001 to £12,500	10
—	£12,501 to £15,000	4
1	£15,001 to £17,500	—
3	£17,501 to £20,000	—
1	£20,001 to £22,500	—

Associated Companies

Company	Activities	Percentage of Ordinary share capital held by Group
Darlington & Simpson Rolling Mills Limited	Steel processing	30.6
Rea Limited	Towage	30.6
Slater Walker Australia Limited (Incorporated in New South Wales)	Investment banking	36.3
Slater, Walker of Canada Limited (Incorporated in Canada)	Investment banking	37.4
Wigham-Richardson & Bevingtons Limited	Insurance and ship broking	49.3

Notes:

- These were the principal associated companies. The Directors have omitted details of other associated companies as they consider that the list would otherwise be of excessive length.
- Unless otherwise stated the companies listed are all incorporated in Great Britain.

Subsidiary Companies

Investment Banking

Slater, Walker Limited
Slater, Walker (Bahamas) Limited (Incorporated in the Bahamas)
Slater, Walker (Guernsey) Limited (83.3%) (Incorporated in Guernsey)
Slater, Walker (Hong Kong) Limited (Incorporated in Hong Kong)
Slater, Walker Investments Limited
Slater, Walker (Jersey) Limited (Incorporated in Jersey)
Slater, Walker Securities (South Africa) Limited (54.7%) (Incorporated in South Africa)
Slater, Walker (Singapore) Limited (Incorporated in Singapore)
Slater, Walker Trust Management Limited
Swalcan Limited (Incorporated in Canada)
Thomas Brown and Sons Limited

Insurance

Blackburn Assurance Company Limited
The Pioneer Life Assurance Company Limited
Slater, Walker Insurance Company Limited

Property

Buckingham Properties Limited
Slater, Walker Properties Limited

Instalment Credit

Slater, Walker Finance Limited (93.7%)

Commercial and Industrial

Crittall-Hope Engineering Limited (61.3%)	Metal windows and engineering products
The Natal Tanning Extract Company Limited (54.7%) (Incorporated in South Africa)	Tanning extract
The Solicitors' Law Stationery Society Limited	Printing and stationery
L. Suzman Limited (54.7%) (Incorporated in South Africa)	Wholesale tobacconist

Notes :

1. These were the principal subsidiary companies at 31st December, 1971. The Directors have omitted details of other subsidiary companies as they consider that the list would otherwise be of excessive length.
2. With the exceptions of Slater, Walker Limited, Blackburn Assurance Company Limited and The Solicitors' Law Stationery Society Limited the above companies were owned by subsidiaries of Slater, Walker Securities Limited.
3. Except where stated all the above companies were wholly owned and were incorporated in Great Britain.

Investments in Other Companies

Company	Activities	%
Allied Polymer Group Limited	Manufacture of Polymer products	17.5
Argyle Securities Limited (Registered in Scotland)	Property investment	23.1
Barclay Securities Limited	Investment holding company	10.1
Bodycote Holdings Limited	Textile manufacturing	12.6
British and Canadian Investments Limited	Construction equipment and agricultural machinery	20.4
Cornwall Property (Holdings) Limited	Property, development and investment	24.9
Dundee, Perth and London Securities Limited (Registered in Scotland)	Service and distribution	22.4
Griffiths Bentley & Co. Limited	Engineering	20.6
Haw Par Brothers International Limited (Incorporated in Singapore)	Investment banking	29.9
The Irish Investment Company Limited (Incorporated in the Republic of Ireland)	Investment trust	43.2
Marcroft & Company Limited	Rolling stock repair and general engineering	17.8
R & J Pullman Limited	Clothing manufacturing and retailing	28.9
Ralli International Limited	International trading and merchanting	10.1
Ray Turner Group Limited	Employment agency and educational products company	11.3
Slater, Walker Investment Trust Limited	Investment trust	31.9
Sterling Land Company Limited	Property investment and development	18.2
Thos. Stevens (Property) Limited	Property and investment	27.7
Tower Assets Limited	Timber and furniture	13.3

Notes:

- These were the principal companies in which the Group held more than 10% of the ordinary share capital. The Directors have omitted details of smaller investments as they consider that the list would otherwise be of excessive length.
- Unless otherwise stated the companies listed are all incorporated in Great Britain.

Pro-forma Unaudited

Slater, Walker Securities

(See Chairman's

	£	£
Share Capital		16,457,000
Reserves		55,294,000
Undistributed Profit		13,467,000
		<u>85,218,000</u>
Unsecured Loan Stocks		55,130,000
Loan Stocks of Subsidiaries		670,000
Minority Interests in Subsidiaries		393,000
Corporation Tax and Deferred Taxation		4,323,000
Current Liabilities		
Creditors, deposits and short term loans	116,143,000	
Current taxation	1,374,000	
Bank overdrafts	6,652,000	
Proposed final dividend	2,619,000	
	<u> </u>	126,788,000
		<u><u>£272,522,000</u></u>

The above figures are based on the audited consolidated effect to the following material changes since that date :—

- (1) Crittall-Hope Engineering Limited and Slater, be subsidiary companies. The Group's in the heading "Associated Companies" at their
- (2) The formation of Slater, Walker Dual Trust
- (3) The issue of a further £10,000,000 of 9% Un- the consideration will not be received until the heading "Debtors, loans and advances".

Consolidated Balance Sheet

Limited and Subsidiaries

Statement, page 6)

	£	£
Fixed Assets		14,573,000
Insurance Companies		14,284,000
Associated Companies		50,331,000
Investments at Cost		
Quoted	17,262,000	
Unquoted	5,557,000	
	<u> </u>	22,819,000
Current Assets		
Stock and work in progress at lower of cost and net realisable value	1,212,000	
Debtors, loans and advances	96,634,000	
Properties held for resale	7,987,000	
Investments at lower of cost, market value or valuation	23,045,000	
Bank balances and cash	41,637,000	
	<u> </u>	170,515,000
		<u>£272,522,000</u>

balance sheet at 31st December, 1971, adjusted to give

Walker Securities (South Africa) Limited have ceased to
vestments in these companies are included above under
market value at 31st March, 1972.

Limited.

secured Loan Stock 1991 /1996 for cash. £9,000,000 of
30th June, 1972, and is therefore included above under

Product Name: *[Faint text]*

Chemical Name: *[Faint text]*

Trade Name: *[Faint text]*

Chemical Description: *[Faint text]*

Chemical Formula: *[Faint text]*

Physical Properties: *[Faint text]*

Chemical Properties: *[Faint text]*

Uses: *[Faint text]*

Preparation: *[Faint text]*

Storage: *[Faint text]*

Product Name: *[Faint text]*

Chemical Name: *[Faint text]*

Trade Name: *[Faint text]*

Chemical Description: *[Faint text]*

Chemical Formula: *[Faint text]*

Physical Properties: *[Faint text]*

Chemical Properties: *[Faint text]*

Uses: *[Faint text]*

Preparation: *[Faint text]*

Storage: *[Faint text]*

Chemical Name: *[Faint text]*

Trade Name: *[Faint text]*

Chemical Description: *[Faint text]*

Chemical Formula: *[Faint text]*

Physical Properties: *[Faint text]*

Product Name: *[Faint text]*

Chemical Name: *[Faint text]*

Trade Name: *[Faint text]*

Product Name: *[Faint text]*

Chemical Name: *[Faint text]*

Trade Name: *[Faint text]*

[Faint text block containing multiple lines of illegible information, possibly a detailed description or safety data.]

